

## **Program B: Public Safety**

Program Authorization: La. Const. Article IX, Sec. 1; R.S. 30:4

### **PROGRAM DESCRIPTION**

The exploration, production, distribution and disposal of natural gas, oil and wastes can threaten public safety and the environment. This program, as its mission, provides regulation, surveillance and enforcement activities to ensure the safety of the public and the integrity of the environment. It is the goal of this program to serve the citizens of Louisiana by managing and preserving non-recurring natural resources in the state. There are is one activity in this program: Public Safety

### **OBJECTIVES AND PERFORMANCE INDICATORS**

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

**The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.**

1. (KEY) To ensure that the rate of reportable accidents on Louisiana jurisdictional pipelines remains at or below the rate of 0.17 per 1,000 miles of pipeline.

Strategic Link: Goal I; Objective I.1: To ensure that the level of protection to the public and compliance in the pipeline transportation of crude oil, natural gas and related products by insuring that the ratio of Louisiana reportable accidents per 1,000 miles of jurisdictional pipeline is at or below the Federal/National ratio of reportable accidents per 1,000 miles of jurisdictional pipeline.

Explanatory Note: The Federal/National rate is based upon the number of accidents on pipelines regulated by the Federal government and pipelines regulated by all of the other states. The Federal/National rate of 0.17 was achieved in 1998, the most recent available statistic for this rate. Due to the small number of accidents, a single additional accident can greatly impact this rate. Program performance is best reflected in the long-term maintenance of a safely operating pipeline system in the state demonstrated in the general performance table.

Explanatory Note: The recommended funding level of performance assumes the funding of certain fee increases. These increases are included in the Supplementary Recommendation.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Rate of reportable accidents on Louisiana jurisdictional pipelines	Not applicable <sup>1</sup>	0.11	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	0.17	0.17
S	Number of inspections performed	Not applicable <sup>1</sup>	1,024	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	1,020	1,020
S	Percentage of inspections resulting in citations <sup>2</sup>	Not applicable <sup>1</sup>	10.5%	15.0%	15.0%	15.0%	15.0%

<sup>1</sup> This is a new indicator and was not a standard for the applicable fiscal year.

<sup>2</sup> This indicator is only partly within the control of the program. It depends both upon the number of violations of regulations by operators and upon the detection of these violations by the program's inspectors. However, the indicator does provide a gauge of the level of compliance by operators.

**GENERAL PERFORMANCE INFORMATION:**

PERFORMANCE INDICATOR	1990	1995	1996	1997	1998
Rate of reportable accidents on Louisiana jurisdictional pipelines by year.	0.10	0.07	0.11	0.17	0.13
Total miles of Louisiana jurisdictional pipelines	41,758	45,080	46,653	47,602	47,020
Number of reportable accidents related to Louisiana jurisdictional pipelines	4	3	5	8	6
Property damage due to reportable accidents related to Louisiana jurisdictional pipelines	\$150,000	\$100,800	\$677,000	\$417,370	\$389,815
Injuries resulting from reportable accidents related to Louisiana jurisdictional pipelines	5	2	4	1	4
Deaths resulting from reportable accidents related to Louisiana jurisdictional pipelines	0	0	0	0	2

Note: Data in this chart are by calendar year

2. (KEY) To demonstrate success in ensuring adequate competitive gas supplies are available for public and industry use by ensuring that 96% of Conservation Pipeline Orders issued as a result of pipeline applications and/or hearings are issued within 30 days from the effective date or hearing date, and that 99% of all Conservation Pipeline Orders are issued with no legal challenges.

Strategic Link: Goal I; Objective I.2: To ensure that 96% of Conservation Pipeline Orders issued as a result of pipeline applications and/or hearings are issued within 30 days from the effective date or hearing date, and that 99% of all Conservation Pipeline Orders are issued with no legal challenges per year.

Explanatory Note: The recommended funding level of performance assumes the funding of certain fee increases. These increases are included in the Supplementary Recommendation.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of pipeline orders issued within 30 days from the effective date	Not applicable <sup>1</sup>	100%	95%	95%	96%	96%
K	Percentage of pipeline orders and/or pipeline hearings issued with no legal challenges	Not applicable <sup>1</sup>	100%	99%	99%	99%	99%
S	Pipeline orders issued within 30 days from the effective date or from hearing date	Not applicable <sup>1</sup>	97	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	90	90

<sup>1</sup> This indicator was not a standard for the applicable fiscal year.

3. (KEY) To protect public safety and the environment, this program will ensure that no injection/disposal wells out of compliance with environmental protection regulations are in operation, and ensure that no more than thirteen commercial exploration and production waste facilities are in violation of regulations.

Strategic Link: Goal I; Objective I.3: To increase environmental protection through inspection and enforcement of exploration and production waste treatment and disposal facilities proactive management.

Explanatory Note: The recommended funding level of performance assumes the funding of certain fee increases. These increases are included in the Supplementary Recommendation.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Number of injection/disposal wells out of compliance and in operation	Not applicable <sup>1</sup>	0	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	0	0
K	Injection/disposal wells inspected as a percentage of total wells	Not applicable <sup>1</sup>	27%	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	37%	37%
S	Number of injection/disposal wells determined to be noncompliant during current year <sup>2</sup>	300 <sup>1</sup>	631	500	500	500	500
S	Number of injection/disposal wells returned to compliance during year	150	310	300	300	300	300
S	Cumulative number of injection/disposal wells out of compliance	Not applicable <sup>1</sup>	Not available	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	450	450
S	Number of inspections of injection/disposal wells and commercial exploration and production waste facilities	1,100	1,187	1,200	1,200	1,200	1,200
K	Number of commercial exploration and production waste facilities in violation of regulations <sup>3</sup>	Not applicable <sup>1</sup>	8	2	2	3	3
S	Number of commercial exploration and production waste facilities in operation	48	48	40	40	40	40

<sup>1</sup> This indicator was not adopted as a standard in the year indicated.

<sup>2</sup> This indicator was formerly worded, "Injection/disposal wells under enforcement action." The new wording more clearly reflects that these are wells newly discovered to be out of compliance. Enforcement action may last more than one year.

<sup>3</sup> In FY1999-2000 this indicator was initiated as "Percentage of operating commercial exploration and production waste facilities in violation. The indicator level was established as a standard at 5%. This level is equal to 2 facilities out of 40 being out of compliance. This converted number is reported for FY1999-2000.

4. (KEY) To ensure the public and environment are protected during coal mining and reclamation operations, ensure that there are no more than three significant violations during the year.

Strategic Link: Goal I; Objective I.4: To ensure that surface coal mining and reclamation operations are conducted in accordance with state and federal laws by the enforcement of the provisions of Louisiana R.S. 30:901-932 and Statewide Order 29-O-1, to prevent unreasonable degradation of land and water resources that would be detrimental to the general welfare, health, safety, and property rights of the citizens of Louisiana.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD	ACTUAL YEAREND PERFORMANCE	ACT 10 PERFORMANCE STANDARD	EXISTING PERFORMANCE STANDARD	AT CONTINUATION BUDGET LEVEL	AT RECOMMENDED BUDGET LEVEL
		FY 1998-1999	FY 1998-1999	FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001
K	Number of significant violations	Not applicable <sup>1</sup>	0	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	3	3

<sup>1</sup> This indicator was not adopted as a standard in the year indicated.

5. (KEY) To review an additional 41% of the state to identify and categorize the location of abandoned non-coal mining sites in a long-range effort to protect the environment and the public from the hazards posed by these sites.

Strategic Link: Goal I; Objective I.5: To validate critical geographic and/or data elements in existing files and records by updating the Abandoned Mine Land (AML) inventory on a Reclamation Planning Area (RPA) basis, each of which contain several major drainage basins, and as funding becomes available, initiate reclamation activities at 50 of approximately 1,300 abandoned sand, gravel, and ironstone mine sites.

Explanatory Note: These sites are primarily abandoned sand and/or gravel mining sites.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of state reviewed for abandoned non-coal mine sites	Not applicable <sup>1</sup>	0%	Not applicable <sup>1</sup>	Not applicable <sup>1,2</sup>	41%	41%

<sup>1</sup> This indicator was not adopted as a standard in the year indicated.

<sup>2</sup> The program anticipates reviewing 26% of the state during FY 1999-2000 and it anticipates completion of the project by the end of FY 2001-2002.

6. (KEY) To ensure that the state's waterbottoms are as free of obstructions to navigation as possible by removing 50 obstructions and by ensuring that at least 100% of legally abandoned oil and gas sites in coastal waters have clearance plans to protect navigation.

Strategic Link: Goal I; Objective I.6: To remove 150 underwater obstructions by 2003.

Explanatory Note: The recommended funding level of performance assumes the funding of certain fee increases. These increases are included in the Supplementary Recommendation.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Number of underwater obstructions removed	Not applicable <sup>1</sup>	14	50	75	50 <sup>2</sup>	50
S	Number of newly verified underwater obstructions	Not applicable <sup>1</sup>	24	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	100	100
S	Number of remaining verified underwater obstructions	Not applicable <sup>1</sup>	10	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	185	185
K	Percentage of legally abandoned oil and gas sites in coastal waters with clearance plans	Not applicable <sup>1</sup>	Not Available	Not applicable <sup>1</sup>	Not applicable <sup>1</sup>	100%	100%

<sup>1</sup> This indicator was not adopted as a standard for the fiscal year indicated.

<sup>2</sup> Future obstructions are anticipated to be located in deeper waters farther from shore. These will be more difficult and expensive to remove. Continuation level funding will consequently result in a lower number removed.



## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$678,283	\$580,962	\$580,962	\$700,539	\$0	(\$580,962)
STATE GENERAL FUND BY:						
Interagency Transfers	444,358	501,744	501,744	497,700	497,700	(4,044)
Fees & Self-gen. Revenues	1,489,686	2,135,609	2,135,609	2,099,687	2,378,779	243,170
Statutory Dedications	0	0	250,000	250,000	250,000	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	864,423	1,006,421	1,006,421	1,056,477	1,184,813	178,392
TOTAL MEANS OF FINANCING	<b>\$3,476,750</b>	<b>\$4,224,736</b>	<b>\$4,474,736</b>	<b>\$4,604,403</b>	<b>\$4,311,292</b>	<b>(\$163,444)</b>
EXPENDITURES & REQUEST:						
Salaries	\$1,705,299	\$1,908,111	\$1,908,111	\$2,018,568	\$2,044,114	\$136,003
Other Compensation	44,947	25,958	25,958	25,958	25,958	0
Related Benefits	278,977	344,795	344,795	362,091	372,912	28,117
Total Operating Expenses	265,043	470,044	470,044	479,445	469,473	(571)
Professional Services	525	245,460	245,460	255,460	28,104	(217,356)
Total Other Charges	1,077,806	1,109,318	1,359,318	1,299,443	1,309,443	(49,875)
Total Acq. & Major Repairs	104,153	121,050	121,050	163,438	61,288	(59,762)
TOTAL EXPENDITURES AND REQUEST	<b>\$3,476,750</b>	<b>\$4,224,736</b>	<b>\$4,474,736</b>	<b>\$4,604,403</b>	<b>\$4,311,292</b>	<b>(\$163,444)</b>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	56	57	57	57	50	(7)
Unclassified	1	0	0	0	1	1
TOTAL	<b>57</b>	<b>57</b>	<b>57</b>	<b>57</b>	<b>51</b>	<b>(6)</b>

A supplementary recommendation of \$1,054,154, all of which is Fees and Self-generated Revenues, is included in the Total Recommended for this program. Funds will be used to support the operation of this program. This item is contingent on passage of Revenue Enhancement Proposals being offered by the Department of Natural Resources.

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
Underwater Obstruction Removal Fund	\$0	\$0	\$250,000	\$250,000	\$250,000	\$0

## SOURCE OF FUNDING

This program is funded with Interagency Transfers, Self-generated Revenues, Statutory Dedications, and Federal Funds. The source of the Interagency Transfers is from the Department of Wildlife and Fisheries to identify and remove underwater obstructions. Fees and Self-generated Revenues are derived from the following: closure bonds for waste site cleanup; application and regulatory fees; \$12 per mile of gas pipeline inspections; \$12 per mile for hazardous liquids pipeline inspections; \$.08 per ton of coal mined from surface mining; and \$12 per public school pipeline inspected to provide for the operational expenses of this program. The Statutory Dedications are derived from the Underwater Obstruction Removal Fund for the identification and removal of underwater obstructions which are hazardous to navigation and commercial fishing in the State. The Federal Funds are derived from grant formulae from the U.S. Department of the Interior, the U.S. Department of Transportation and the U.S. EPA for gas pipeline safety, hazardous liquids, surface mining, underground injection control and abandoned mine land activities.

## ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
<b>\$580,962</b>	<b>\$4,224,736</b>	<b>57</b>	<b>ACT 10 FISCAL YEAR 1999-2000</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$250,000	0	Fishermen's Gear activity transferred from the Office of the Secretary to the Office of Conservation to identify and remove underwater obstructions hazardous to navigation and commercial fishing in the State
<b>\$580,962</b>	<b>\$4,474,736</b>	<b>57</b>	<b>EXISTING OPERATING BUDGET – December 3, 1999</b>
\$4,495	\$37,362	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$4,338	\$29,489	0	Classified State Employees Merit Increases for FY 2000-2001
\$0	(\$5,923)	0	Risk Management Adjustment
\$35,100	\$101,288	0	Acquisitions & Major Repairs
\$0	(\$121,050)	0	Non-Recurring Acquisitions & Major Repairs
\$11,075	\$69,221	0	Salary Base Adjustment
(\$7,684)	(\$48,025)	0	Attrition Adjustment
(\$59,027)	(\$59,027)	(6)	Personnel Reductions
(\$29,977)	(\$187,356)	0	Salary Funding from Other Line Items
(\$110,000)	(\$110,000)	0	Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01
\$0	\$130,577	0	Other Adjustments - Federal Funds provided for safety and regulatory activities
(\$429,282)	\$0	0	Means of Finance Substituion - Replace State General Fund with Fees and Self-generated Revenues to support agency
<b>\$0</b>	<b>\$4,311,292</b>	<b>51</b>	<b>TOTAL RECOMMENDED</b>

\$0	(\$1,054,154)	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$3,257,138	51	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:			
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:			
\$0	\$1,054,154	0	Funding for operation of this program using a Fees and Self-generated Revenue Package that revises application fees, regulatory fees, production fees, and various other fees
\$0	\$1,054,154	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$4,311,292	51	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 96.4% of the existing operating budget. It represents 82.3% of the total request (\$5,202,164) for this program. The 3.6% decrease from the existing operating budget is due to non-recurring acquisitions and major repairs, funding adjustment necessary to ensure adequate funding, with attrition, of 51 recommended positions, which includes 6 personnel reductions, and reductions imposed by Executive Order MJF 99-52 in FY 00-01.

## PROFESSIONAL SERVICES

\$28,104	Jack Brown for legal services for surface mining, underground injection control and commercial waste matters
<b>\$28,104</b>	<b>TOTAL PROFESSIONAL SERVICES</b>

## OTHER CHARGES

\$190,125	Statutory Dedication from Underwater Obstructions Removal Fund to identify and remove underwater obstructions
\$31,830	Self-generated/Federal Funds for the review of Surface Mining Applications and Operations through the Agronomy Department, Louisiana Experiment Station, LSU Agriculture Center
\$147,600	Self-generated revenues provided to complete the closure plan and cost estimate for the Big Diamond Facility
\$49,950	Federal funds for the Abandoned Mine Land workplan - a statewide evaluation for abandoned mine sites
\$66,032	Self-generated/Federal funds for laboratory testing for underground injection control and commercial waste
\$497,700	Interagency Transfers from the Department of Wildlife and Fisheries to identify and remove underwater obstructions
\$75,876	General Fund for the Oilfield Exploration and Production Waste Project for additional testing, tracking, monitoring, and auditing of oilfield waste shipments into permitted commercial disposal facilities
\$25,000	Federal Projects
<b>\$1,084,113</b>	<b>SUB-TOTAL OTHER CHARGES</b>

**Interagency Transfers:**

\$223,438 DNR - Office of the Secretary for indirect costs for administrative services from the Office of Conservation - Public  
Safety Division for the Oilfield Exploration and Production Waste Project  
\$1,892 Division of Administration - State Register

**\$225,330 SUB-TOTAL INTERAGENCY TRANSFERS**

**\$1,309,443 TOTAL OTHER CHARGES**

**ACQUISITIONS AND MAJOR REPAIRS**

\$61,288 Replacement of surveillance equipment, LCD Projector, 2 Computers, 2 Executive Chairs, and 2 Automobiles

**\$61,288 TOTAL ACQUISITIONS AND MAJOR REPAIRS**